

3. Old Age and Survivor Insurance

The old-age and survivor's pensions represent the first layer of the pension system in Israel, and assure a basic income for elderly insurees and relatives after death. A pension from work represents the second layer of the pension system¹, and together they are designed to ensure a reasonable minimum level of living during retirement and old age.

A. Benefits in the Old-Age and Survivor's Division

- **Old-Age Pension**

Paid to every insuree in universal fashion at the age of entitlement (the absolute age² of entitlement) without a means test, and at the age of retirement (the contingent age³) only if the recipient meets the standards of income from work and capital test.

In mid-2004, the Retirement Age Law began being implemented. This law gradually raises the age of entitlement for the old-age pension for men and women. The retirement age for men was raised from 65 to 67, and for women from 60 to 62, and will remain this way until 2016. In 2017, the retirement age for women will again begin gradually increasing to 64. The age of entitlement for women in 2014 was 68, and it will be raised gradually to 70. The age of entitlement for men was not changed, and remains 70.

- **Increments to the Basic Old-Age Pension**

Dependent Increment – Paid to spouse and children dependent on the insuree (in accordance with criteria set in the law, such as a means test).

Seniority Increment – Paid to anyone who has been insured for more than 10 years. Its rate is 2% of the pension for each year of insurance beyond the first 10 years, and not more than 50%.

Increment for Delayed Receipt of Pension – Paid to those who delayed receipt of their pension at ages when a means test from work or capital is performed (from the contingent until the absolute age). Its rate is 5% of the pension for each year of delayed receipt.

Increment for Insuree who has Reached 80 Years of Age – An amount of 1% of the basic amount.⁴

1 See annual survey (2007). Chapter 4 (2) – Old-age and survivors, box: Comprehensive Pension Mandatory for Entire Economy in Israel.

2 The age at which entitlement for the pension is not conditional on a means test.

3 The age at which entitlement for the pension is conditional on a means test.

4 See Appendix – Basic Amount

- **Survivor's Pension**

Paid to survivors of insureds after their death. Increments are added to the basic pension for seniority and for reaching age 80. A widower is defined as entitled to a survivor's pension as long as his children live with him, or he meets the means test as required by law.

- **Income Supplement for the Elderly and Survivors**

Paid to recipients of old-age or survivor's pensions who have no income or whose income is low, up to the amount defined by the Income Supplement Law.

- **Pensions not Based on the National Insurance Law ('Special')** Paid to seniors and survivors who are not entitled to a pension based on the National Insurance Law, financed fully by the government.

Those entitled to these pensions are mainly immigrants who, on the date of their immigration were above the retirement age (in accordance with the Retirement Age Law), and are thus not insured by the National Insurance Law. The amounts of these pensions are identical to the pension rates set by law, subject to a means test. To these pensions are added an increment for an entitled individual who has reached 80 years of age, but there are no seniority or pension delay increments. The maximum income supplement for recipients of these pensions equals the amount paid to recipients of the pensions based on the National Insurance Law. The entitlement age changes for a pension based on the law also apply to recipients of a pension not based on the law.

- **Death Grant**

Paid to those entitled to an old-age or survivor's pension (based on the National Insurance Law) who leave a spouse, and in the absence of a spouse – a child as defined by the National Insurance Law.

- **Burial Allowance**

All deceased in Israel are entitled to be buried at no charge. The NII pays a burial allowance intended to cover the costs of the funeral day for any deceased buried in Israel by an appropriately licensed burial society. Populations who do not customarily use burial societies can receive this grant personally. The rate of burial allowance is set by age of the deceased and size of the city in which the burial society operates. The burial society is authorized in certain circumstances to charge a fee for burial (purchase of a grave while alive, purchase after death of a special plot, and burial in a closed cemetery). If the number of paid burials exceeds the rate specified by regulations, the burial society will be eligible for reduced payments. In 2014, burial allowances were paid for approximately 42,000 burials.

- **Advisory Service for the Elderly**

In the framework of national insurance, a consultation service for elders has been operating since the early 1970s, in which volunteer elders support other elders. This

is another community activity of the NII, in addition to the activities of the Funds for Service Development for diverse populations in Israel (see box at the end of the chapter).

B. Legislative Changes

- **Pensions Based on the National Insurance Law** – in the Economic Optimisation Law of 2009, it was mandated that the basic old-age and survivor's pensions be gradually increased until 2011 at a rate of approximately 7.3%. The pensions were increased such that the gap (of 1% of the basic amount) between pensions for those younger than and those older than 80 would be preserved.

In August 2009, the pension for an individual was 17% of the basic amount, in January 2010 it rose to 17.35%, and in January 2011 to 17.7% of the basic amount. Benefits for other family members were raised accordingly.

This increase in the pension rate is added to increased rates in recent years. In July 2006, the pension was raised from 16% of the basic amount to 16.2%, in April 2008 from 16.2% to 16.5%, with another 1% o addition of the basic amount for those who reached age 80. In 2009, the increase in the old-age and survivor's pensions totaled approximately 3%, in January 2010 it increased approximately 2.1%, and in January 2011 the addition reached 7.3%.

- **Old-age and survivor's pensions, including income supplement**, also increased in accordance with the rise in basic pensions. Moreover as of August 2009, an increment of approximately NIS 120 per individual and about NIS 180 to an individual with dependents (also including the increase in basic pension) was paid to people aged 70-79. For those 80 and older, an increment of NIS 75 per individual and NIS 107 for an individual with dependents was paid. In 2010 and 2011 the pension amount including income supplement was raised in accordance with the increase in basic pension.

The pension for those entitled to an income supplement as of January 2010 was 29.9% of the basic amount for elders younger than 70, 30.7% for those 70-79, and 32.1% for those who reached 80. As of January 2011, the rates were 30.3%, 31.2%, and 32.6% of the basic amount, respectively.

It should be noted that the rise in pension rate including income supplements is in addition to the increase in this pension rate in recent years. The pension for an individual, which was 25% of the basic amount until June 2005, was increased to 27.3% in July 2005, 28.5% in July 2006, and 28.8% in April 2008. Its rate for those reaching 80 by August 2009 was 30.8% of the basic amount.

- **The Income Supplement Law was amended regarding the calculation of income from assets**, and this affects recipients of old-age and survivor's pensions, as well as income

support. The value of income from an asset is calculated by asset type (financial or real estate), taking into consideration the asset value, the yield rate suitable for market conditions, with an additional graded increment.⁵

- **In October 2013, the cold region provision** defining those cold cities in which recipients of old-age and survivor's pensions with an income support increment are entitled to a heating grant. Those receiving income support benefits who reached retirement age before November 2013, and reside in a city defined as a cold region prior to amendment of the provision, but which is not defined as such in the new provision – will continue receiving a heating grant.
- **From July 2014, the definition of a child for purposes of survivor's pensions has been expanded.** According to this expansion, a child aged 18-20 studying in an educational institution as defined by law, and for at least 20 weekly study hours, may be entitled to a survivor's pension.

C. Pension Recipients

1. Old-Age and Survivor's Pension Recipients

In 2014, the NII paid old-age pensions based on the National Insurance Law and old-age pensions not based on the National Insurance Law (hereafter: **special pensions**) to some 769,000 elders, and survivor's pensions to some 99,000 survivors on average each month. Among the old-age pension recipients were 105,000 elders who received a full old-age pension and half a survivor's pension (Section 3 below) and 57,000 disabled elders who received a disability pension supplement (Section 4 below). The number of recipients of old-age pensions based on the National Insurance Law increased in 2014

Table 1
Old-Age and Survivor's Pension Recipients by Pension Type
and Legal Basis (Average per Month), 2012-2014

Pension type	Number of recipients (average)			Annual rate of increase	
	2012	2013	2014	2013	2014
Total	802,491	833,915	868,346	3.9	4.1
Old-age					
Total	701,289	733,686	769,219	4.6	4.8
Based on NI Law	640,110	675,816	714,181	5.6	5.7
Not based on NI Law	61,178	57,870	55,038	-5.4	-4.9
Survivor's					
Total	101,202	100,230	99,127	-1.0	-1.1
Based on NI Law	100,842	99,897	98,822	-0.9	-1.1
Not based on NI Law	360	333	305	-7.5	-8.4

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5 further details in the 2013 annual report.

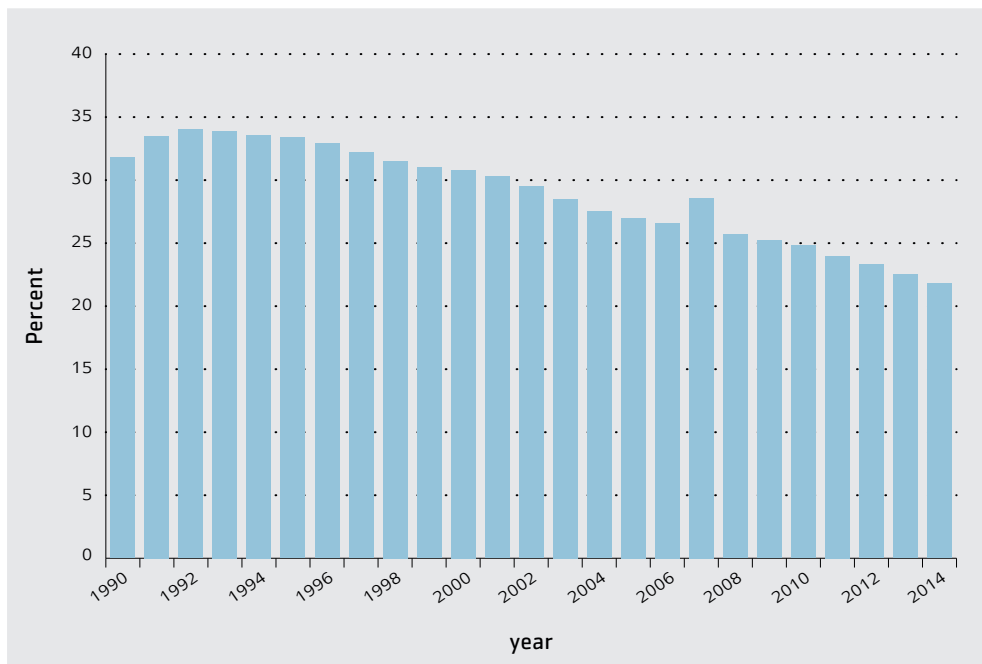
by 5.7%, and the number of recipients of survivor's pensions only (based on the National Insurance Law) dropped by 1.1%.

The number of special pensions recipients continued to decline in 2014 at a rate of 4.9%, which is lower than in 2013 – 5.4%, 2012-5.4%, and 2011-5.0%. The share of special pension recipients among all old-age and survivor's pension recipients grew from 8.4% in 1990 to 18.7% in 1996. Since 1997 this percentage has gradually dropped to 6.4% in 2014. This development is a continuation of a decline in growth rate for this population since the second half of the 1990s. These trends are a result of the drop in number of immigrants arriving in Israel at an advanced age, and of death rates among elders, which will continue reducing this population as the years pass. The total of all recipients of old-age pensions based on the National Insurance Law and special pensions grew in 2014 by 4.8%. The number of all recipients of old-age and survivor's benefits grew by 4.1%.

2. Recipients of Old-Age and Survivor's Pensions with Income Support

Recipients of old-age and survivor pensions who do not have additional sources of income, or whose income from other sources is extremely low, are entitled to receive an increment to their pension according to the Income Support Law. The number of recipients of income support in the years 1990-2001 grew continuously due to the addition of many

Figure 1
Rate of Recipients of Old-Age and Survivor's Pensions
with Income Support Supplement (Monthly Average), 1990-2014



new immigrants who received special pensions with an income supplement. Since 2008, the number has gradually declined, mainly due to a drop in the number of immigrants receiving special pensions. In 2013, for the first time since 2001, the number of income supplement recipients rose and continued to do so in 2014 – 189.4 thousand recipients on average per month versus 187.5 thousand in 2013.

Nevertheless, the rate of income support recipients among all pension recipients reached its height in 1992, 34%, and has since been in decline (except for 2007), which is mainly the result of a drop in the number of special pension recipients (Figure 1). As expected, among recipients of old-age pensions based on the National Insurance Law, the rate of those entitled to income support rose moderately during the years that the pension rate grew.

The percentage of those entitled to income support among all recipients of old-age and survivor's pensions in December 2014, dropped from 22.2% in 2013 to 21.5% in 2014 (Table 2). The percentage of income support recipients among those receiving old-age pensions based on the National Insurance Law dropped slightly reaching 15.3%, while recipients of survivor's pensions rose slightly to 28.2%.

As expected, the percentage of income support beneficiaries was extremely high among recipients of special old-age and survivor's pensions, a group which is mainly

Table 2
Old- Age and Survivor's Pension Recipients
by Pension Type and Number of Dependents*, December 2014

Pension type	Total	Without dependents	One dependent	Two dependents	Three or more dependents
Old-age and survivor's pension – total	883,435	814,678	58,036	6,256	4,465
% Receiving income supplement	21.5	19.8	45.6	22.7	22.8
Old-age pension based on NI Law	730,881	685,818	41,566	2,314	1,183
% Receiving income support	15.3	13.6	41.3	31.4	46.0
Old-age pension not based on NI Law	54,049	44,976	8,792	143	138
% Receiving income support	93.7	94.0	92.0	90.2	94.9
Survivor's pension based on NI Law	98,211	83,644	7,654	3,783	3,130
% Receiving income support	28.2	30.4	15.5	14.6	10.6
Survivor's pension not based on NI Law	294	240	24	16	14
% Receiving income support	66.0	66.3	66.7	62.5	64.3

* Includes spouse or children – for old-age pension, and children – for survivor's

composed of new immigrants: 93.7% of recipients of special old-age pensions, and 66.0% of recipients of special survivor's pensions were entitled in December 2014 to income support. Payment of old-age and survivor's pensions not based on the National Insurance Law are conditional on passing a means test, and thus it is not surprising that the rate of those entitled to income support among immigrants is higher. Nevertheless, there has been a noticeable drop in the rate of income support recipients since December 2011, when the rate was 94.4%.

3. Recipients of Old-Age Pension and Half Survivor's Pension

Among recipients of old-age and survivor's pensions, there are those who receive both (hereafter: **both pensions**), paid by virtue of the insuree's rights in these divisions. Regardless of the first pension they receive, those entitled to both draw the full old-age pension and half the survivor's pension. Only those whose pensions are based on the **National Insurance Law** are entitled to receive both pensions. Recipients of pensions **not based on the law** receive their pension as a result of an agreement, and not through insurees' rights in the Old-Age and Survivor's Division.

In December 2014, 104,634 widows and widowers were entitled to both pensions, 94.1% of them were women (Table 3), representing 14.7% of all recipients of old-age pensions based on the National Insurance Law. The high rate of women is not surprising, for several reasons: a) The percentage of male insurees is higher than that of females: only women insured as workers confer rights to survivor's pensions to their spouses (homemakers do not), while all men confer entitlement to this pension to their spouses. b) The right to survivor's pensions for widowers without children is dependent on a means test. c) Women generally marry men older than themselves, and have a longer lifespan. For this reason, the situation where women are entitled to both pensions is more common.

The growth rate for recipients of a half survivor's pension is lower than that for total pension recipients based on the National Insurance Law (3.3% and 5.7% annually, respectively). In December 2014, the average total of both pensions together was NIS 3,170, approximately one third of which was the survivor's pension. The average total of both pensions to which men were entitled, was higher than those received by women: generally men's old-age pension is higher due to higher seniority increments and retirement delay increments.

As expected, the rate of income support recipients among those receiving both pensions is not high – only 7.8%, as the total of both pensions is generally higher than the total of pension with income support. The rate of men receiving income support is nearly double that of women, because widowers (without minor children) are put to a means test to establish entitlement to the survivor's pension as opposed to widows who are exempt. Since only widowers who meet the means test requirement are entitled to receive a survivor's pension, the economic condition of widowers receiving survivor's

pensions tends to be worse than that of widows, who are exempt from this test as a requirement for receipt of the pension.

The average age of recipients of both pensions is higher than the average age of all those entitled to an old-age pension based on the National Insurance Law: men - 79.3 years versus 76.1, respectively, and women - 78.1 versus 72.7, respectively.

Table 3
**Characteristics of Recipients of Old-Age
and Half Survivor's Pensions by Gender, December 2014**

	Total	Men	Women
Total of all recipients	104,634	6,154	98,480
Percent of income support recipients	7.8	13.9	7.4
Average pension (NIS)	3,170	3,231	3,167
Of which: half survivor pension (NIS)	1,078	919	1,088
Average age	78.2	79.3	78.1

4. Recipients of Old-Age Disability Pensions

A disability pension is paid to the disabled until they reach retirement age, after which old-age pensions are paid. In the wake of the 2002 legislative amendments to improve pensions for the disabled, old-age pensions paid to the disabled reaching retirement age after 1.1.2002 is at the level of their disability pension, including **an additional monthly pension** (hereafter: AMP), which was paid prior to reaching retirement age. An AMP is paid to those whose level of medical disability is at least 50%, and whose earning disability level is at least 75%, and its amount in most cases was NIS 252-372 per month in December 2014, in accordance with percentage of medical disability. Upon reaching retirement age, the disabled continue receiving the disability pension and the AMP (if they were entitled to it) in the framework of the old-age pension.

In December 2014, approximately 57,000 disabled elders (48.1% of them women) received old-age pensions with a supplement to raise the sum to the amount of the disability pension, either with AMP (or both) – a rise of 13.0% versus December 2013 (Table 4). Approximately 87% also received an AMP. The average amount of the old-age

Table 4
**Characteristics of Recipients of Old-Age Disability Pensions
by Gender, December 2014**

	Total	Men	Women
Total of all recipients	57,223	29,691	27,532
Of which: receive AMP	49,847	26,080	23,767
Average pension (NIS)	2,847	2,862	2,831
Of which receive: disability supplement and AMP (NIS)	544	452	639
Average age	69.6	72.0	67.0

benefit for disabled elders in December 2014 was NIS 2,847, approximately one fifth of which was the disability pension supplement including AMP. 22.1% of recipients of a disability supplement or AMP were also entitled to income supplements, with the rate of men being slightly lower than that of women: 21.0% and 23.2%, respectively.

5. Seniority Supplement Recipients

A seniority increment to the old-age pension is granted to elders who have been insured with the NII for more than 10 years, and its rate is 2% of the basic old-age pension for each additional year of insurance beyond the initial 10 years, and not more than 50% of the pension. In 2014, the rate of women and men paid a seniority increment continued to rise, reaching about 78.1% and 94.8%, respectively (Table 5). The average increment paid to a recipient of a pension based on the National Insurance Law also rose, from 31% of the basic pension in 2013, to about 31.6% in 2014. The average supplement rate is 37.4%, which means payment for 18.7 years beyond the initial 10 years of insurance. Therefore, the data indicate that the rate of seniority increment recipients rose, and the average number of years for which the increment was paid also rose. The average supplement received by men was higher than that received by women – 42.2% versus only 24.9%, respectively (the average supplement rate paid to those entitled is 44.5% for men and 31.9% for women).

The rate of those receiving a seniority increment among newly entitled men rose slightly versus 2013 to 98.5%, while among women it rose more, to 90.3%. The rate of supplement recipients and its level are higher for those now joining the ranks than for the overall group of recipients. But, while the average seniority increment paid to women continued to rise in 2014 in comparison to 2013 (from 29.7% to 31.4%), the average increment for men remained the same as 2013, 42.9%, in contrast to the declining trend that started in 2011.

An examination of the data indicates that in the years 2008-2010 the number of immigrants (who came to Israel since 1990) among new recipients dropped, but since 2010 their rate has risen significantly. The rate of immigrants among men who became recipients in 2010 was 10.6%, in 2013 – 18.4%, in 2014 – 19.7%. It is clear that immigrant men have an average seniority increment significantly lower than men who are native citizens (18% versus 49%, respectively, in 2014), and thus with the rise in percentage of new recipients we see a moderation of the average level of seniority increment. Among women the rate of immigrants also grew, reaching 21.8% of all new recipients. All immigrant women among new recipients are entitled to an average increment of 12%, while other new recipient women are entitled to an average increment of 36.8%. Despite this gap, we see a rise in the average seniority increment for new recipient women.

Despite the various trends regarding average seniority increment for new recipient men and women, the gap between them remains large: 42.9% for men and 31.4% for women. With the increase in the rate of women's participation in the labour force and

their number of years at work, the rate of women receiving seniority supplements is expected to continue to rise, especially for maximum seniority increments.

Recipients of survivor's pensions are granted the seniority increment to which the deceased was entitled. Most recipients of survivor's pensions (both those entitled only to survivor's pensions and those entitled to half survivor's pensions in addition to an old age-pension) – 87% – are entitled to this increment, and, as expected, the rate of female recipients of the increment accumulated by their spouses is higher than the rate of men receiving this increment: 88% versus 72.7%, respectively. In addition, the average increment to which all women receiving a survivor's pension are entitled, is higher than

Table 5
Recipients of Old-Age Pensions Based on National Insurance Law,
by Rate of Recipients of Seniority and Pension Delay Increments,
and Rate of Average Increment, 2010-2014 (December)

Year	Rate of increment recipients among all recipients (percent)			Rate of average increment for all pension recipients (percent)		
	Total	Men	Women	Total	Men	Women
	Seniority increment					
2010*	81.5	93.4	73.8	29.9	41.5	22.5
2010**	87.7	97.6	82.0	33.3	44.7	26.7
2011*	82.2	93.7	74.8	30.3	41.7	23.0
2011**	89.2	98.2	83.6	34.2	44.6	27.7
2012*	83.0	94.0	76.0	30.7	42.0	23.7
2012**	90.9	98.2	85.9	35.0	44.0	28.7
2013*	83.5	94.4	76.7	31.0	42.1	24.2
2013**	86.9	98.3	78.6	33.5	42.9	26.7
2013***						
***	92.2	98.3	87.3	35.6	42.9	29.7
2014*	84.5	94.8	78.1	31.6	42.2	24.9
2014**	94.1	98.5	90.3	36.8	42.9	31.4
	Pension delay increment					
2010*	13.4	14.7	12.5	2.3	2.5	2.2
2010**	10.0	11.9	8.9	1.9	1.9	1.9
2011*	13.2	14.5	12.5	2.3	2.4	2.2
2011**	11.4	11.1	11.6	2.0	1.4	2.4
2012*	13.1	14.2	12.5	2.3	2.3	2.2
2012**	11.1	10.4	11.6	1.8	1.2	2.2
2013*	13.0	13.8	12.5	2.2	2.2	2.2
2013**	10.8	9.7	11.6	1.7	1.2	2.2
2013***						
***	11.5	9.7	12.3	1.9	1.2	2.4
2014*	13.1	13.6	12.8	2.2	2.1	2.3
2014**	13.2	10.6	15.4	2.1	1.3	2.8

* All recipients

** New recipients that year.

*** Not including homemakers born prior to 1931 (Amendment 138)

that of men: 29.2% versus 23.8%, respectively. The average increment among those entitled to it is 32.9%, which translates into an additional 16.5 years beyond the initial 10 years of insurance.

6. Recipients of Pension Delay Increment

The old-age pension in the age range between retirement and the entitlement age is conditional on a means test. An individual whose income from work does not exceed 57% of the average salary is entitled to a full pension (for a couple – 76% of the average salary). High level income from capital is also taken into account for the means test (as specified in the law and provisions). For each additional shekel, 60 agorot are deducted from the old-age pension (reduced pension) up to a pension of zero. Those with higher income are not entitled to a pension and receive a pension delay increment at a rate of 5% of the basic pension for each year of delay. Those entitled to a reduced pension are permitted to choose not to receive the pension and be entitled to a pension delay increment. This increment is less significant than the seniority increment, in respect to both number of recipients and rate.

In 2014, the percentage of men who received a pension delay increment continued to slowly decrease and reached 13.6%; the rate of women slightly rose for the first time since 2010, to 12.8%. The average increment for men was slightly lower – 2.1%; for women it rose after remaining static since 2003 – to 2.3%. The average increment rate for women was higher than for men because women may delay receipt of pension for more years than men (explanation below). The average increment was 16.9%, in other words an average delay of 3.4 years.

Among new recipient men and women, the rate of increment recipients rose, as did the average amount. The rate of entitled women rose sharply from 12.3% in 2013 to 15.4% in 2014, and the increment rate rose to 2.8%. The rate for new recipient men rose from 9.7% to 10.6% between the two years, and the rate of increment rose to 1.3%.

The increment paid to new recipient men for pension delay in 2014 was lower than the increment paid to all men, 1.3% versus 2.1%, respectively, as well as the rate of those receiving this increment – 10.6% versus 13.6%. The conclusion from this is that new retirees tend to delay retirement less than older retirees did. This is not true among new recipient women, who tended to delay receipt of pension more than men.

The new recipient men who delayed their retirement are entitled to an increment of 11.9% on average, in other words the average pension delay is 2.4 years – nearly the entire delay period – 3 years. Among women, the maximum delay period is longer (see explanation below), and the new recipient women who delayed their retirement were entitled to an increment of 18.3%, in other words 3.7 years.

In the wake of the Retirement Age Law, the rate of increment among women is expected to grow in the future. By 2016, the retirement age for women will remain 62,

while the entitlement age will continue to rise gradually and reach 70 in 2020. Thus, the number of years that women can accrue a retirement delay increment will gradually grow from 5 to 6, and then to 8 at the end of the process. On the other hand, a man is able to delay his pension for only three years, and thus it is possible that the average increment rate for women will be higher than the rate for men (as has already been observed over the last four years among new recipient men and women).

D. Payments

1. Pension Levels

In 2014, the basic old-age and survivor's pensions increased (for those up to age 80 without income supplements) 1.4% versus 2013 (Table 6). This rise stemmed from the update of pensions by 1.9% (based on the November 2013 CPI in comparison with the November 2012 CPI) versus the increase of 0.5% in the average annual CPI in 2014. The rate of basic pensions as a percentage of average salary remained 16.7% for an individual up to age 80. The level of old-age and survivor's pensions with income supplement rose 1.4% since 2013 (data presented in the table are rounded off, and thus differences of 0.1% are possible while in fact they are smaller).

Despite Table 6, the lion's share of recipients are entitled to a pension whose amount is higher than the basic pension amount, and which includes the basic pension and

Table 6
Amount of Basic Old-Age and Survivor's Pensions
by Selected Family Makeup, 2010-2014

Year	Individual		With dependent spouse		Widower with two children*	
	2014 prices (NIS)	% average salary	2014 prices (NIS)	Percent of average income	2014 prices (NIS)	Percent of average income
Not yet 80 years old						
2010	1,485	16.8	2,230	25.2	2,872	32.4
2011	1,498	16.9	2,251	25.3	2,903	32.7
2012	1,511	16.9	2,271	25.3	2,929	32.7
2013	1,509	16.7	2,268	25.1	2,924	32.4
2014	1,531	16.7	2,301	25.1	2,967	32.4
At least 80 years old						
2010	1,570	17.8	2,315	26.2		
2011	1,583	17.9	2,336	26.3		
2012	1,596	17.9	2,356	26.3		
2013	1,595	17.6	2,353	26.0		
2014	1,617	17.7	2,387	26.1		

* Does not include child allowances.

Table 7
Amount of Average Old-Age and Survivor's Pensions
by Selected Family Makeup, December 2014

Family makeup	For pension recipients without income supplement		For pension recipients with income supplement	
	2014 prices (NIS)	% average salary	2014 prices (NIS)	% average income
Individual	2,341	25.6	2,867	31.3
Couple	3,236	35.3	4,313	47.1
Widow/widower with two children	3,967	43.3	5,671	61.9

increments in accordance with the entitled parties' characteristics (increments for spouse, child, seniority, pension delay, age, income supplement, etc.). Table 7 presents the average pensions for certain family structures.

2. Sum Total of Payments

In 2014, the total amount paid by the Old-Age and Survivor's Division (not including administrative expenses), assuming fixed prices, rose by 5.4%. Pension payments based on the National Insurance Law rose at a real rate of 6.6%, and pension payments not based on the National Insurance Law decreased at a real rate of 1.1%. The share of pension payments not based on the law (including income supplements for those receiving a pension based on the National Insurance Law) among all old-age and survivor's pension payments reached 13.8% in 2014. The total of all payments for National Insurance allowances (not including administrative expenses) grew in real terms in 2014 at a rate of 2.7% – less than the rate of increase in the Old-Age and Survivor's Division. Therefore, the share of the Division's payments within NII payments in 2014 rose to 38.9%, after being 37.9% in 2013.

Table 8
Pension Payments in the Old-Age and Survivor's Division (Not Including
Administrative Expenses, in Millions of NIS), 2010-2014

	2010	2011	2012	2013	2014
	Current prices (millions of NIS)				
Total of all payments	21,782	23,238	24,524	25,690	27,218
Based on NI Law	17,946	19,383	20,689	21,911	23,465
Not based on NI Law	3,837	3,855	3,835	3,779	3,753
	2014 prices (millions of NIS)				
Total of all payments	23,379	24,110	25,017	25,812	27,218
Based on NI Law	19,261	20,110	21,105	22,016	23,465
Not based on NI Law	4,118	4,000	3,912	3,796	3,753

Advisory Service for the Elderly

The rights granted to the elderly by the NII –whether in the form of cash payments or benefits in kind – constitute a significant basis for existence: old-age pensions, survivor's pensions, income support, long-term care and assistance from the Advisory Service for the Elderly. The elderly are also eligible for a range of rights and services provided by both public and state organizations, as well as associations and other bodies. Advisory services generally focus on access to services for the elderly, assistance in exercising their rights in full, and regular, supportive social contact to those in need, as described below.

A. Advice

Despite technological advances, some elderly people have difficulty exercising their rights, whether in national insurance or with other organizations. In addition, supplementary services and additional rights granted to the elderly by local authorities and others are not consistent and not sufficiently accessible. The volunteer advisor at the NII Advisory Service for the Elderly collects relevant information from the elderly and helps them exercise their rights in several ways (translation, conversation, active referral and practical assistance). The advice is given at branch offices, or in various languages by telephone – through the national call center, or initiated, particularly in outlying areas. In 2014 some 200,000 old people received advice, compared to about 170,000 in 2013 – an increase of 16% (Table 1).

B. Initial house calls

Initial house calls are made to elderly defined as at-risk, such as those aged 80 and over, under nursing care, for whom a guardian has been appointed, or old people whose application for a carer has been rejected, plus widows and widowers. The visits are a tool to find and monitor old people at-risk and suffering neglect. The information enables the NII to ensure that the pensions it pays are indeed used to benefit the recipient. Initial house calls are also an important tool for helping physically restricted old people to exercise their rights (income supplements to the old-age or survivor's pension, and long-term care benefits).

The volunteers making house calls receive ongoing training. Their impressions are the basis for professional assessment of the situation, in order to decide on further intervention and referral to the appropriate elements at the NII and in the community. In 2014 about 27,435 initial house calls were made, compared to about 26,480 in 2013 – an increase of 3.6% (Table 1).

C. Regular social home visits

Old people who are confined to their homes and have no regular and supportive social contact experience loneliness. Even if they meet carers or other service providers, or have a spouse who looks after them – these are not perceived as sufficient social contact. Advisory Service volunteers make regular calls on old people who have expressed a wish for such contact and maintain personal connection with them. The visit is also a means of monitoring the care of the old person.

Over the years, these contacts between the elderly and volunteers, which sometimes develop into close friendships, have shown a significant contribution to the lives and welfare of the elderly. The visits take place according to the spread of the service, available resources, and the professional judgement of each department. In 2014 there were over 350,000 regular weekly visits to an average of some 6,500 elderly people each month. In all, during 2014 some 8,600 different elderly people received visits. The figures are similar for 2013.

D. Support groups for widows and widowers

Being widowed in old age is a crisis that affects many aspects of quality of life. For some 30 years the Advisory Service for the Elderly at all NII branches has organized support groups for elderly widows and widowers. The aim is to assist, support, provide advice in times of crisis, and help them prepare to continue their lives. Initial contact is usually made close to the crisis. In 2014 there were 80 support groups all over the country – compared to 70 groups in 2013. (Table 1)

Another activity for widows/widowers uses professional volunteers, who make contact by telephone to express condolences, introduce themselves, and invite them to a special day where they receive advice on their rights and the offer to join a support group.

E. Information days

Information days are a means of explaining and creating direct contact with the insured on various topics relating to old-age: information for new retirees, rights of the widowed, rights of Holocaust survivors, support for dementia sufferers, and more. The departments send personal letters on each subject to the target population and invite them to a meeting where they are given information about their national insurance rights and the various services available in the community. These days are very helpful for the insured public and give the NII direct contact with them as well as the basis for further contact (Table 1).

- Information Days in the periphery: old people living in the periphery of the country often struggle with the lack of available services and the absence of

representation of official institutions. Information days have therefore been adapted for these areas, and are held in collaboration with local social services departments, as well as providing individual responses to questions from the public.

- Local and national projects: the departments that advise the elderly in all branches initiate local or national projects, sometimes in collaboration with other elements in the NII or with other bodies. The aim is to promote new essential services such as support groups for the main carers of frail old people, or to extend awareness of conditions in old age, such as Alzheimer's disease. There are also projects whose purpose is to develop services for the elderly in the community.

Number of Recipients of Advisory Services for the Elderly by Type of Service, 2013-2014

Type of service	2013	2014
Advice	170,000	197,480
Initial house call	26,482	27,435
Regular social home visits	6,598	6,534
Support groups	72	80
Information days	120	125